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SUBJECT: UPDATE ON TAIWAN'S NUCLEAR SECTOR

REF: A. TAIPEI 01499

¶B. TAIPEI 01121

Classified By: Economic Section Chief Hanscom Smith for reasons 1.4 b/d

## NUCLEAR SECTOR UPDATE

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- ¶1. (U) AIT Econoffs met with newly appointed Atomic Energy Council (AEC) Chairman Su Shian-jang August 2 for an update on the nuclear energy situation in Taiwan. AIT thanked the AEC for its close cooperation going back to the mid-eighties, and looked forward to continued bilateral exchanges. Su was upbeat about nuclear energy, citing the ever-increasing prices of fossil fuels. However, he said that although 20 percent of Taiwan's power needs are from nuclear sources, that figure is decreasing because it cannot keep pace with growing energy demand. He said the 4th nuclear power plant (NPP) is about 65 percent complete, with a scheduled completion date of July 2009. He added that Taipower Company (TPC), which will be operating the plant, will submit a final safety report on the power plant to the AEC in the next two weeks.
- ¶2. (C) Su reiterated that Taiwan has no plans for new nuclear power plants beyond the 4th NPP, but instead will focus on power plant upgrades and re-licensing to boost power and extend the life of the existing power plants. On the subject of re-licensing, Su said a normal procedure would take up to 18 months to complete, and Taipower will wait until after the presidential elections in March 2008 to initiate the application with the authorities so that it doesn't become an election issue. A strong anti-nuclear movement drove the Chen Shui-bian administration to halt construction of the 4th NPP project in October 2000 (subsequently re-started in January 2001).

## EARTHQUAKE PREPAREDNESS

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13. (SBU) Econoffs also asked Su about nuclear safety in light of the recent strong earthquake which affected the nuclear power plant in Niigata Japan. Su said Taiwan has incorporated earthquake design parameters in all of its nuclear plants and that during the December 2006 earthquake in Hengchun, southern Taiwan, the local power plant was manually shut down. Asked about plans for an automatic shutdown system to be installed, Su said TPC is testing a system acquired from Japan. The Institute of Nuclear Energy Research (INER) is modifying the system for use in Taiwan by November, he added.

## RADIOACTIVE WASTE DISPOSAL

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¶4. (C) On the subject of low-level radiation waste (LLRW) disposal, Su said there is no timetable for when the first disposal site might become operational. Four sites have been identified, but none have been given the green light to begin construction. According to Su, the residents of one locality where the LLRW repositories are to be located heartily approve of the project, but when the whole county is polled the results are different. To sweeten the deal, the authorities will provide financial incentives of up to NT \$5 billion (US\$150 million) to the localities where waste sites are planned. The first local referendum on siting of a LLRW disposal site will take place in 2008 and the estimated time frame to begin operation of the LLRW disposal sites is 2016. Su said it takes 3 years to obtain approval and another 5 years to complete construction.

## OCTOBER BILATERAL MEETING

15. (U) AEC officials said they are looking forward to the next bilateral nuclear meeting with US counterparts scheduled for late October and are in the process of reviewing the agenda. They have also selected a site in Ilan on the east coast for an offsite, and said they plan to include a tour of the unfinished 4th NPP at Lungmen.

YOUNG